

Dear Milliken Resident:

For several years, the Town Board has been considering whether to allow the retail and/or medical sales of marijuana or its manufacturing and growth within town limits. In 2012, Milliken citizens voted in favor of allowing the use of recreational marijuana to be legalized within the state of Colorado by a margin of 53% in favor and 47% opposed. However, the Town Board is aware that while citizens may be in favor of legalizing the use of recreational marijuana within the State, that does not necessarily mean they are in favor of allowing retail sales, manufacturing or commercial grow operations of marijuana within town limits. Therefore, the Board has determined that they wish to put the issue forward to Milliken residents in the upcoming November election in the form of various ballot questions which deal with this issue.

The purpose of this letter is to inform you of the issues regarding marijuana which the Board has been considering, and to provide some background information to assist you in understanding the purpose behind the potential ballot questions you may be asked to vote on in November. The Town Board invites and welcomes feedback from you on this issue, and would **ask that you return the enclosed survey to the Town Clerk no later than June 30, 2015.**

You may also fill out the questionnaire on the Town's website at:  
[http://www.millikenco.gov/document\\_center/Surveys/PROPOSED BALLOT QUESTIONS Marijuana.pdf](http://www.millikenco.gov/document_center/Surveys/PROPOSED_BALLOT_QUESTIONS_Marijuana.pdf)

If you have additional questions or comments, you may contact Town Hall at 970-587-4331 or Sunita Sharma at 970-344-5135. You may also email comments to [sunita@sunitasharmalaw.com](mailto:sunita@sunitasharmalaw.com).

Thank you for taking time to address this important issue and to consider the impacts it may have on your community.

Milt Tokunaga, Mayor

## **FREQUENTLY ASKED QUESTIONS**

### **1. How is the production and sale of marijuana regulated?**

The State of Colorado vigorously regulates the production and sale of marijuana within Colorado. The State's regulations include criminal history checks on owners and staff, security requirements of establishments, hours of operation, potency of infused products, packaging, signage, advertising, and tracking of inventory among various other regulations.

In addition to State regulations, cities and towns such as Milliken may impose their own regulations such as where the location of marijuana stores or facilities are allowed, distance requirements from certain uses such as schools, regulations on odor emissions from facilities, etc., as long as the local regulations are at least as strict or more strict than the State's regulations.

### **2. Are other cities and towns that have allowed the production and sale of marijuana within their jurisdictions experiencing increased crime?**

So far there has been no measurable difference in crime within cities and towns which have allowed the production and sale of marijuana within their jurisdictions.

### **3. Would allowing the production and sale of marijuana within Milliken increase revenue for the town?**

Currently, medical marijuana is subject to a 2.9% State Sales Tax, plus any local taxes and retail marijuana is subject to 12.9% State Sales Tax and a 15% excise tax plus any additional local taxes.

Because Milliken is a statutory town and not a home rule town, it does not have the authority to impose an additional local excise tax on marijuana, but it may impose a flat rate occupation tax on the sale of marijuana. An example of this would be a flat tax of \$5.00 per transaction on wholesale sales and \$10.00 per transaction on retail sales.

Garden City, a nearby statutory town which has allowed marijuana facilities and stores within its jurisdiction, collected \$105,356 in general sales tax revenue in November of 2014, which was up 81% from the same month a year earlier. Sales taxes for the 2014 year were over a million dollars, which was almost double from the previous year.

**4. What is the difference between a cultivation facility, a manufacturing facility and a retail sales operation?**

A cultivation facility is a facility that produces and grows marijuana plants and prepares and packages marijuana to sell to retail marijuana establishments, but not directly to consumers.

A manufacturing facility is an operation that purchases marijuana and may also manufacture, prepare and package retail marijuana products such as edibles. A retail manufacturing facility may sell retail marijuana and retail marijuana products only to other manufacturing facilities and retail marijuana stores.

A retail sales store means a business which is licensed to sell marijuana and marijuana products directly to consumers.

With the understanding that the sales and operation of marijuana facilities would be regulated by the state of Colorado and also by the Town Board, please answer the following questions by marking your opinion in adjoining box.	Yes	No	
Do you believe Milliken should allow <b>marijuana cultivation facilities</b> within the Town limits?			
Do you believe Milliken should allow the establishment and operations of <b>marijuana manufacturing facilities</b> within the Town limits?			
Do you believe Milliken should allow the sale of <b>recreational</b> marijuana within the Town limits?			
Do you believe Milliken should allow the sale of <b>medical</b> marijuana within the Town limits, so long as such sales are regulated by the state of Colorado and by the Town Board?			
Do you believe Milliken should allow <b>all forms of marijuana cultivation, manufacturing and sales</b> within the town limits?			
If Milliken were to allow marijuana sales or production within the town, should there be an imposition of an <b>additional occupation tax</b> imposed on such sales as determined by the Town Board?			
<p>If Milliken were to allow marijuana sales or production within the town, should there be (Please mark one of the following):</p> <ul style="list-style-type: none"> <li>a. An imposition of an <b>additional occupation tax of up to \$5.00 per transaction</b> imposed on such sales as determined by the Town Board?</li> <li>b. An imposition of an <b>additional occupation tax of up to \$10.00 per transaction</b> imposed on such sales as determined by the Town Board?</li> <li>c. <b>No additional taxes</b> imposed other than the current state taxes and local sales tax.</li> </ul>	a.	b.	c.
<p>If Milliken collects revenue from the sale of marijuana, should such monies be used for (Please mark any or all of the following):</p> <ul style="list-style-type: none"> <li>a. Enforcement of marijuana laws?</li> <li>b. Educational programs and public health programs?</li> <li>c. General town purposes as determined by the Town Board?</li> </ul>	a.	b.	c.

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Name and Address (Optional)